CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) to (e) The Ministry of Chemicals & Fertilizers have examined the recommendations of the Expenditure Reforms Commission (ERC) regarding fertilizer subsidies in consultation with the concerned Ministries/Departments of the Government of India, Fertilizer industry and State Governments, ERC has recommended dismantling of the existing Retention Price-cum-Subsidy Scheme (RPS) and total decontrol of urea in a phased manner. ERC has also recommended uniform rates of concession for each category of urea units after dividing them into five groups based on feedstock used and vintage of the plants. ERC has also recommended a 7% increase in price of urea in real terms every year. For protecting the small and marginal farmers against the price rise of urea, the Commission has suggested introduction of dual price scheme through tradable coupons and expansion of Employments Guarantee Scheme and rural works programmes to increase their purchasing power.

Many State Governments have expressed their views against some of the recommendations of ERC, particularly pertaining to 7% annual increase in farm gate price of urea, replacement of existing RPS by a group based concession scheme based on averaging of retention prices dual price scheme etc.

After examining all the relevant aspects and the views of the fertilizer industry and State Governments on ERC's recommendations, Government expects to finalise the new pricing policy for urea units shortly.

Fertilizer Policy

643. SHRI K. RAMA MOHANA RAO:
SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRI S. AGNIRAJ:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government of India are thinking of introducing a fertilizer policy;

(b) if so, the details thereof;

(c) whether any committee has been constituted in this regard; and

(d) if so, the details and the terms of reference given to the committee?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) and (b) Government is in the process of formulating a long term fertilizer policy aiming at phased decontrol of fertilizer sector. The proposed long term policy will also dwell on issues such as joint ventures, creation of new capacity, removal of distribution controls on urea, balanced nutrient application, eco-friendly fertilizer use etc. A draft outline of the policy was prepared and circulated among concerned stakeholders such as fertilizer industry, farmers, State Governments, economists etc. to invite their views and suggestions. The draft policy has also been discussed in seminars/workshops held in different parts of the country. The draft policy has evoked very meaningful debate and the Department of Fertilizers has received a number of suggestions/comments on the proposals made in the draft policy paper.

(c) and (d) Yes, Sir. A Committee has been constituted under the Chairmanship of Secretary (Fertilizers) to examine the views and suggestions received in response to draft long term fertilizer policy.

Restructuring scheme for IDPL

644. SHRI DIPANKAR MUKHERJEE:
SHRIMATI CHANDRA KALA PANDEY:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether any revival/restructuring scheme has been approved by Government for IDPL and its subsidiary, UPDPL;

(b) if so, the details thereof;

(c) whether the relief and concessions extended by Government, Banks and other agencies would form a guideline for revival of other sick CPSUs in pharmaceutical sector; and

(d) if not, the reasons therefor?